

TACOM Commanding General approved Full Materiel Release on March 16, 2001, and materiel fielding is ongoing.

Headquarters, Department of the Army, has provided funding to PM-LTV to implement modifications to two HMMWVs for every HMT assigned to each unit – referred to as the 2:1 approach. PM-LTV has requested an increase in funding to modify all HMMWVs in units assigned HMTs – called the UIC [Unit Identification Code] approach. All HMTs are scheduled to

be modified and fielded no later than September 2002.

Throughout its history, and especially during the rigorous technical testing, the HMT has proved that it provides greater capabilities to our soldiers than any trailer in its class. The HMT will not have a cross-country speed limit. Safe cross-country speed will be adjusted and determined by driving conditions according to operator judgment.

The HMT provides the Army with a greatly needed capability to move cargo

over all types of surface conditions at all required speeds, and will reduce the Army's logistics burden as it takes on payloads now carried by other HMMWVs. It also stands as an outstanding example of a diverse team, with competing objectives, coming together to solve difficult problems.

**Editor's Note:** The authors welcome questions or comments on this article. Contact Noyes at [NoyesE@tacom.army.mil](mailto:NoyesE@tacom.army.mil).

## Report of the Military Research Fellows DAU 2000-2001

### FROM CHAOS TO CLARITY: HOW CURRENT COST-BASED STRATEGIES ARE UNDERMINING THE DEPARTMENT OF DEFENSE

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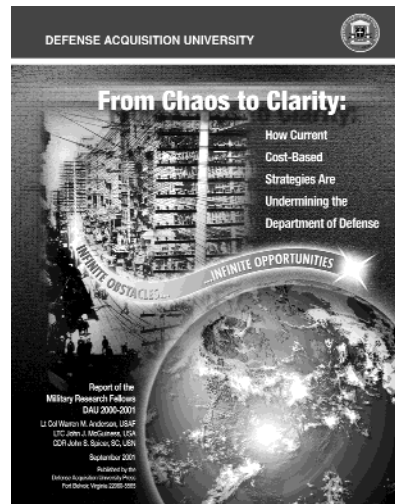
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The latest Defense Acquisition University Military Research Fellows Report, *From Chaos to Clarity: How Current Cost-Based Strategies are Undermining the Department of Defense*, is now available in hard copy as well as online. Dated September 2001, the report details how DoD's cost-based initiatives fail to align with the Department's business strategy.

Historically, DoD has followed a generic strategy of differentiation, not cost leadership. The Department's beliefs, values, and mission are aligned to support this generic strategy. Office of Management and Budget (OMB) Circular A-76 and related initiatives, with their focus on cost, are not well suited for an organization such as DoD, which competes on quality, not cost. This misalignment of strategy and outsourcing policy has generated a great deal of concern within DoD, especially among base and installation commanders who must implement A-76 and related measures.

The authors make the case that A-76 results, as measured by savings goals, have not generated anywhere near the results expected. Indeed, cost-driven outsourcing strategies,



according to their report, are undermining DoD. The effort put into OMB Circular A-76 and related initiatives is great, yet the savings are at best marginal. Evidence is now emerging that these initiatives are degrading mission performance.

The intended audience is the DoD ac-

quisition, technology and logistics workforce as well as policy makers.

The report may be downloaded from the DAU Web site at <http://www.dau.mil/pubs/misc/clarity.htm>. Non-government personnel may purchase hard copies of DAU publications for a nominal charge by calling the Government Printing Office at (202) 512-1800; to fax a request, call (202) 512-2250. Government personnel may obtain single copies of DAU publications at no cost by writing or faxing a request, on official stationery, to the address shown below:

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